

§ 561.406 Country with primary jurisdiction over the foreign financial institution.

For purposes of § 561.203(i) and § 561.204(f), a country includes any jurisdiction that has its own central bank or contains a separate financial sector authority, and a foreign financial institution (including its foreign branches outside of the United States) is under a country's primary jurisdiction if the foreign financial institution is organized under the laws of the country or any jurisdiction within that country.

[78 FR 16409, Mar. 15, 2013]

§ 561.407 Conducting or facilitating a financial transaction with the Central Bank of Iran or a designated Iranian financial institution.

A foreign financial institution conducts or facilitates a financial transaction with the Central Bank of Iran or a designated Iranian financial institution if it maintains an account for such entities or engages in a financial transaction directly or indirectly with such entities.

NOTE TO § 561.407: See § 561.404 for factors that may be considered in determining whether a financial transaction is significant, as required for the imposition of certain sanctions pursuant to this part.

§ 561.408 Goods or services originating in a country.

(a) Goods originating in a country are goods that have been grown, produced, manufactured, extracted, or processed, and goods that have been substantially transformed, in the country.

(b) Services originating in a country are services performed in that country or services performed in the country to which the services are being exported by a citizen, national, or permanent resident of the country from which the services originate who is ordinarily resident in that country.

(c) For purposes of this part, services originating in a country do not include the brokering of transactions for the sale and exportation of goods or services not originating in that country.

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Subpart E—Licenses, Authorizations, and Statements of Licensing Policy**§ 561.501 General and specific licensing procedures.**

For provisions relating to licensing procedures, see part 501, subpart E of this chapter. Licensing actions taken pursuant to part 501 of this chapter with respect to the prohibitions contained in this part or conditions imposed pursuant to this part are considered actions taken pursuant to this part.

§ 561.502 Effect of license or authorization.

(a) No license or other authorization contained in this part, or otherwise issued by the Office of Foreign Assets Control, authorizes or validates any transaction effected prior to the issuance of such license or other authorization, unless specifically provided in such license or authorization.

(b) No regulation, ruling, instruction, or license authorizes any transaction prohibited under this part unless the regulation, ruling, instruction, or license is issued by the Office of Foreign Assets Control and specifically refers to this part. No regulation, ruling, instruction, or license referring to this part shall be deemed to authorize any transaction prohibited by any other part of this chapter unless the regulation, ruling, instruction, or license specifically refers to such part.

(c) Any regulation, ruling, instruction, or license authorizing any transaction otherwise prohibited under this part has the effect of removing a prohibition contained in this part from the transaction, but only to the extent specifically stated by its terms. Unless the regulation, ruling, instruction, or license otherwise specifies, such an authorization does not create any right, duty, obligation, claim, or interest in, or with respect to, any property which would not otherwise exist under ordinary principles of law.

§ 561.503 Exclusion from licenses.

The Office of Foreign Assets Control reserves the right to exclude any person, property, or transaction from the operation of any license or from the